

CORPORATION INCOME AND EXCESS-PROFITS TAX RETURN
For Fiscal Year 1934

Fiscal Year begun _____, 1933, and ended _____, 1934
File This Return Not Later Than the Fifteenth Day of the Third Month Following the Close of the Fiscal Year

PRINT PLAINLY CORPORATION'S NAME AND BUSINESS ADDRESS

(Name)
(Street and number)
(Post office and State)

It is Essential, Except Where Otherwise Provided in the Instructions, That This Form be Completely Filled
In Irrespective of Any Statements, Schedules, or Reports Submitted Herewith

Kind of Business _____

Is This a Consolidated Return? _____ If so, of How Many Corporations? _____

File
Code_____

Serial
Number_____

District_____
(Cashier's Stamp)

Cash Check M.O. Cert. of Ind.
First Payment

\$_____

ATTACH REMITTANCE HERE

Item and
Instruction No.

GROSS INCOME

1. Gross Sales (where inventories are an income-determining factor), \$ _____; Less Returns and Allowances, \$ _____; Net Sales \$ _____

2. Less Cost of Goods Sold:
(a) Inventory at beginning of year \$ _____
(b) Material or merchandise bought for manufacture or sale _____
(c) Miscellaneous costs (From Schedule A, Column 1):
(1) Salaries and wages, \$ _____; (2) Other costs, \$ _____; Total _____
(d) Total of lines (a), (b), and (c) \$ _____
(e) Less inventory at end of year _____

3. Gross Profit from Sales (Item 1 minus Item 2) \$ _____

4. Gross Receipts (where inventories are not an income-determining factor) \$ _____

5. Less cost of operations (From Schedule A, Column 2):
(a) Salaries and wages, \$ _____; (b) Other costs, \$ _____; Total _____

6. Gross Profit where inventories are not an income-determining factor (Item 4 minus Item 5) _____

7. Interest on Loans, Notes, Mortgages, Bonds, Bank Deposits, etc. _____

8. Rents _____

9. Royalties _____

10. (a) Profit from Sale of Stocks and Bonds held 2 years or less. (From Schedule B, Total (a)) _____
(b) Profit or Loss from Sale of all other Assets. (From Schedule B, Total (b)) _____

11. Dividends on Stock of:
(a) Domestic Corporations subject to taxation under Title I of Revenue Act of 1932 _____
(b) Domestic Corporations not subject to taxation under Title I of Revenue Act of 1932 _____
(c) Foreign Corporations _____

12. Other Income (State nature of income) (Use separate schedule, if necessary) _____

13. TOTAL INCOME IN ITEMS 3, AND 6 TO 12, INCLUSIVE \$ _____

DEDUCTIONS

14. Compensation of Officers (From Schedule C) \$ _____

15. Rent on Business Property _____

16. Repairs (From Schedule D): (a) Salaries and Wages, \$ _____; (b) Other Costs, \$ _____; Total _____

17. Interest _____

18. Taxes (From Schedule E) _____

19. Losses by Fire, Storm, etc. (From Schedule F) _____

20. Bad Debts (From Schedule G) _____

21. Dividends (From Schedule H) _____

22. Depreciation (resulting from exhaustion, wear and tear, or obsolescence) (From Schedule I) _____

23. Depletion of Mines, Oil and Gas Wells, Timber, etc. (Submit schedule, see Instruction 23) _____

24. Other Deductions Authorized by Law (Explain below, or on separate sheet):
(a) Salaries and wages. (Not included in Items 2, 5, 14, or 16 above) _____
(b) _____

25. TOTAL DEDUCTIONS IN ITEMS 14 TO 24 _____

26. NET INCOME (Item 13 minus Item 25) \$ _____

COMPUTATION OF TAX

INCOME TAX

NOTE.—If this is a separate return, fill in Items 27 to 30;
if a consolidated return, fill in Items 31 to 38.

27. Income Tax (13¾% of Item 26) \$ _____

28. Less: Income Tax Paid at Source. (Allowable only to a nonresident foreign corporation) \$ _____

29. Income Tax Paid to a Foreign Country or U.S. Possession by a Domestic Corporation _____

30. Balance of Income Tax (Item 27 minus Items 28 and 29) \$ _____

31. Income Tax at 1933 rate (14½% of Item 26) \$ _____

32. Income Tax at 1934 rate (14¾% of Item 26) \$ _____

33. That proportion of Item 31 which the number of months in 1933 is of the number of months in the entire period. \$ _____

34. That proportion of Item 32 which the number of months in 1934 is of the number of months in the entire period. \$ _____

35. Total Income Tax for fiscal year 1934 (Item 33 plus Item 34) \$ _____

36. Less: Income Tax Paid at Source. (Allowable only to a nonresident foreign corporation) \$ _____

37. Income Tax Paid to a Foreign Country or U.S. Possession by a Domestic Corporation _____

38. Balance of Income Tax (Item 35 minus Items 36 and 37) \$ _____

EXCESS-PROFITS TAX

39. Net Income (Item 26) \$ _____

40. Less: 12¼% of \$ _____, value of capital stock as declared in your capital-stock tax return for year ended June 30, 1933, or June 30, 1934, if this return is for a fiscal year ended after June 30, 1934 (or if a consolidated return, the combined value of capital stock as separately declared for year ended June 30, 1933, or June 30, 1934, by those members of the affiliated group subject to capital-stock tax) _____

41. Amount Subject to Excess-profits Tax (Item 39 minus Item 40) \$ _____

42. Excess-profits Tax (5% of Item 41) \$ _____

Items	BEGINNING OF TAXABLE YEAR				END OF TAXABLE YEAR			
	Amount		Total		Amount		Total	
ASSETS								
1. Cash					\$			\$
2. Notes receivable								
3. Accounts receivable	\$				\$			
Less reserve for bad debts								
4. Inventories:								
Raw materials	\$				\$			
Work in process								
Finished goods								
Supplies								
5. Investments (nontaxable):								
Obligations of a State, Territory, or any political subdivision thereof, or the District of Columbia, or United States possessions	\$				\$			
Obligations of instrumentalities of the United States								
Obligations of the United States								
6. Other investments:								
Stocks of domestic corporations	\$				\$			
Bonds of domestic corporations								
Stocks and bonds of foreign corporations								
All other investments or loans								
7. Deferred charges:								
Prepaid insurance	\$				\$			
Prepaid taxes								
All other								
8. Capital assets:								
Land	\$				\$			
Buildings								
Machinery and equipment								
Furniture and fixtures								
Delivery equipment								
Less reserves for depreciation (except on land)	\$				\$			
9. Patents								
10. Good will								
11. Other assets (describe fully):	\$				\$			
12. TOTAL ASSETS					\$			\$
LIABILITIES								
13. Notes payable (less than one year)					\$			\$
14. Accounts payable								
15. Bonds and notes (not secured by mortgage)								
16. Mortgages (including bonds and notes so secured)								
17. Accrued expenses:								
Interest	\$				\$			
Taxes								
All other								
18. Other liabilities (describe fully):	\$				\$			
19. Capital stock:								
Preferred stock (less stock in treasury)	\$				\$			
Common stock (less stock in treasury)								
20. Surplus	\$				\$			
21. Undivided profits								
22. TOTAL LIABILITIES					\$			\$
Remarks								

1. Date of incorporation -----; under the laws of what State
or country -----

2. If a foreign corporation, state whether resident or nonresident -----;
if nonresident, state amount of income excluded (Instruction 33) from gross in-
come, \$ -----

3. State the main business engaged in, also whether acting as principal or as agent on commission; state if inactive or in liquidation:

☐ Agriculture and related industries, including fishing, forestry, ice harvesting, etc.; also leasing of such property.

☐ Mining and quarrying, including gas and oil wells; also leasing of such property.

<input type="checkbox"/>	Food products and beverages.	<input type="checkbox"/>	Paper, pulp and products.
<input type="checkbox"/>	Tobacco.	<input type="checkbox"/>	Printing, publishing, and allied businesses.
<input type="checkbox"/>	Textiles and textile products.	<input type="checkbox"/>	Chemicals and allied products, including petroleum products.
<input type="checkbox"/>	Leather and leather products.	<input type="checkbox"/>	Stone, clay, and glass products.
<input type="checkbox"/>	Rubber and related products.	<input type="checkbox"/>	Metal and metal products, including precious metals and products.
<input type="checkbox"/>	Lumber and wood products, including fiber furniture.	<input type="checkbox"/>	
<input type="checkbox"/>	Other manufacturing.		

Finance—banks and other financial organizations, insurance, real estate; also brokers and agents.

5. Was the income of this corporation included in a consolidated return for the prior year?-----

6. Did the corporation file a return under the same name for the preceding taxable year? Was the corporation in any way an outgrowth, result, continuation, or reorganization of a business or businesses in existence during this or any prior year since December 31, 1917?..... If answer is "yes," give name and address of each predecessor business, and the date of the change in entity.

7. Is this return made on the basis of cash receipts and disbursements?-----
If not, describe fully what other basis or method was used in computing net
income. -----

8. State whether the inventories at the beginning and end of the taxable year were valued at cost, or cost or market, whichever is lower. If other basis was used, describe fully, state why used, and the date inventory was last reconciled with stock. _____

9. Did the corporation make a return of information on Forms 1096 and 1099 (see Instruction 60) for the calendar year 1933. (Answer "yes" or "no").....

10. Did anyone help the corporation prepare, or advise the corporation in the preparation of, this return? (Answer "yes" or "no") _____ If so, give name and address of such person or persons and state to what extent such assistance or advice was received _____

11. Enter below a list of all schedules accompanying this return, giving for each a brief title and the schedule number. The name and address of the corporation should be placed on each separate schedule accompanying the return.

1. COST OF SALES (WHERE INVENTORIES ARE AN INCOME-DETERMINING FACTOR)				2. COST OF OPERATIONS (WHERE INVENTORIES ARE NOT AN INCOME-DETERMINING FACTOR)			
ITEMS		AMOUNT (Enter as Item 2 (c))		ITEMS		AMOUNT (Enter as Item 5)	
Salaries and wages		\$		Salaries and wages		\$	
Other costs				Other costs			

SCHEDULE B—PROFIT OR LOSS FROM SALE OF STOCKS, BONDS, REAL ESTATE, ETC. (See Instruction 10)													
1. KIND OF PROPERTY	2. DATE ACQUIRED	3. DATE SOLD	4. AMOUNT RECEIVED		5. COST		6. MARCH 1, 1913, VALUE IF ACQUIRED BEFORE THAT DATE		7. COST OF IMPROVE- MENTS AFTER ACQUI- SITION OR MARCH 1, 1913		8. DEPRECIATION AL- LOWED (OR ALLOW- ABLE) SINCE ACQUI- SITION OR MARCH 1, 1913		9. NET PROFIT OR LOSS
(a) Stocks and bonds * held 2 years or less:	Mo. Day Year	Mo. Day Year											
			\$		\$		x x x x x x x x	x x	x x x x x x x x	x x	x x x x x x x x	x x	\$
							x x x x x x x x	x x	x x x x x x x x	x x	x x x x x x x x	x x	
							x x x x x x x x	x x	x x x x x x x x	x x	x x x x x x x x	x x	
Total (a) transfer net profit to Item 10(a)	x x x x x	x x x x x	\$		\$		x x x x x x x x	x x	x x x x x x x x	x x	x x x x x x x x	x x	\$
(b) All other assets:													
			\$		\$		\$		\$		\$		\$
Total (b) transfer net profit or loss to Item 10(b)	x x x x x	x x x x x	\$		\$		\$		\$		\$		\$

* As defined in Section 23(t), 1932 Act.
State how property was acquired

SCHEDULE C—COMPENSATION OF OFFICERS (See Instruction 14)						
1. NAME OF OFFICER	2. OFFICIAL TITLE	3. TIME DEVOTED TO BUSINESS	SHARES OF STOCK OWNED		6. AMOUNT OF COMPENSATION (Enter as Item 14)	
			4. Common	5. Preferred		
					\$	

SCHEDULE D—COST OF REPAIRS (See Instruction 16)				SCHEDULE E—TAXES PAID (See Instruction 18)			
1. ITEMS		2. AMOUNT (Enter as Item 16)		1. ITEMS		2. AMOUNT (Enter as Item 18)	
Salaries and wages		\$				\$	
Other costs							

SCHEDULE F—EXPLANATION OF LOSSES BY FIRE, STORM, ETC. (See Instruction 19)							
1. KIND OF PROPERTY	2. DATE ACQUIRED	3. COST OR VALUE AS OF MARCH 1, 1913, WHICHEVER GREATER		4. SUBSEQUENT IMPROVEMENTS	5. DEPRECIATION ALLOWABLE SINCE ACQUISITION	6. INSURANCE AND SALVAGE VALUE	7. DEDUCTIBLE LOSS (Enter as Item 19)
		\$		\$	\$	\$	\$

State how property was acquired

SCHEDULE G—BAD DEBTS (See Instruction 20)				SCHEDULE H—DIVIDENDS DEDUCTIBLE (See Instruction 21)			
1. YEAR	2. SALES ON ACCOUNT	3. BAD DEBTS		1. NAME OF CORPORATION	AMOUNT OF DIVIDENDS		
					2. Domestic	3. Foreign	
1930	\$		\$		\$	\$	
1931							
1932							
1933							
1934							

SCHEDULE I—EXPLANATION OF DEDUCTION FOR DEPRECIATION (See Instruction 22)										
1. KIND OF PROPERTY	2. DATE ACQUIRED	3. AGE WHEN ACQUIRED	4. PROBABLE LIFE AFTER ACQUISITION	5. COST		6. MARCH 1, 1913, VALUE IF ACQUIRED PRIOR TO THAT DATE		7. DEPRECIATION ALLOWED (OR ALLOWABLE) IN PRIOR YEARS		8. DEPRECIATION ALLOWABLE THIS YEAR
				\$		\$		\$		\$

AFFIDAVIT (See Instruction 53)

We, the undersigned, president (or vice president, or other principal officer) and treasurer (or assistant treasurer) of the corporation for which this return is made, being severally duly sworn, each for himself deposes and says that this return, including the accompanying schedules and statements, has been examined by him and is, to the best of his knowledge and belief, a true and complete return, made in good faith, for the taxable year stated, pursuant to the Revenue Act of 1932 and the National Industrial Recovery Act and the Regulations issued thereunder.

Sworn to and subscribed before me this _____ day of _____, 193 _____.

NOTARIAL SEAL

(Signature of officer administering oath)

CORPORATE SEAL

(Title)

(President or other principal officer) (State title)

(Treasurer or Assistant Treasurer) (State title)

AFFIDAVIT (See Instruction 54)

I/we, acting as _____ (Attorney or advisor) for the hereto subscribed taxpayer, affirm that I/we prepared this return, that the information set out in the return and accompanying schedules, if any, correctly and truly represents the information furnished, or discovered by, me/us during the course of preparation of the return, and that such information is true to the best of my/our information and belief.

Sworn to and subscribed before me this _____ day of _____, 193 _____.

NOTARIAL SEAL

(Signature of officer administering oath)

(Title)

(Address)

(Attorney or advisor)

2-16330

INSTRUCTIONS

The Instructions Numbered 1 to 26 on this Page Correspond with the Item Numbers on Page 1 of the Return

GROSS INCOME AND DEDUCTIONS

1. Gross sales.—If engaged in business where inventories are an income-determining factor, enter as Item 1 on page 1 of the return, the gross sales, less goods returned and any allowances or discounts from the sale price.

Banks, insurance companies, and other corporations required to submit statements of income and expenses to any national, State, municipal, or other public officer may submit with the return a statement of income and expenses in the form furnished to such officer, in lieu of the information requested in Items 1 to 25 of the return, except that a railroad company will submit with the return a statement on Form 1090. In such cases the taxable net income will be reconciled by means of Schedule L on page 3 of the return, with the net profit shown by the income and expense statement submitted, and should be entered as Item 26 on page 1 of the return.

2. Cost of goods sold.—Enter as Item 2 the information requested on lines (a) to (e) and list in Column 1 of Schedule A on page 4 of the return the principal items of cost, including the amount entered on line (c), the minor items to be grouped in one amount. Enter as salaries and wages on line (c) the total compensation, during the period covered by this return, of individuals employed (exclusive of officers and firm members).

If the production, purchase, or sale of merchandise is an income-producing factor in the trade or business, inventories of merchandise on hand should be taken at the beginning and end of the taxable year, which may be valued at cost, or cost or market, whichever is lower. Enter the letters "C", or "C or M", immediately before the amount column on lines (a) and (e) under Item 2, if the inventories are valued at either cost, or cost or market, whichever is lower, and explain fully in answer to question 8 on page 3 the method used. In case the inventories reported do not agree with the balance sheet, attach a statement explaining how difference occurred.

3. Gross profit from sales.—Enter as Item 3 the gross profit from business in which inventories are an income-determining factor, which is obtained by deducting Item 2, the cost of goods sold as extended, from Item 1, the net sales.

4. Gross receipts from business in which inventories are not an income-determining factor.—Enter as Item 4 the gross receipts or operating revenue. (See also second paragraph of Instruction 1, above.)

5. Cost of operations.—Enter as Item 5 the cost of operations and list in Column 2 of Schedule A on page 4 of the return the principal items of cost. Enter as salaries and wages the total compensation, during the period covered by this return, of individuals employed (exclusive of officers and firm members).

6. Gross profit from business in which inventories are not an income-determining factor.—Enter as Item 6.

7. Interest on loans, etc.—Enter as Item 7 all interest received or credited to the corporation during the taxable year on loans, notes, mortgages, bonds, bank deposits, etc.

8. Rents.—Enter as Item 8 the gross amount received for the rent of property. Any deductions claimed for repairs, interest, taxes, and depreciation should be included in Items 16, 17, 18, and 22, respectively.

9. Royalties.—Enter as Item 9 the gross amount received as royalties. If a deduction is claimed for depletion, it should be reported as Item 23.

10. Profit or loss from sale of stocks, bonds, real estate, etc.—Report sales of property according to the two classes designated in Schedule B: (a) Stocks and bonds as defined in Section 23 (t), Revenue Act of 1932, held 2 years or less (including also those held more than 2 years if not capital assets); and (b) all other assets (including stocks and bonds which are capital assets).

Describe the property briefly in Schedule B, and state the actual consideration or price received, or the fair market value of the property received in exchange. Expenses connected with the sale, such as commissions paid agents, may be deducted in computing the amount received.

If gain or loss is computed on March 1, 1913, value, both cost and March 1, 1913, value must be shown and full information given as to how March 1, 1913, value was determined. If the amount shown as cost is other than actual cash cost of the property sold, full details must be furnished regarding the acquisition of the property.

Enter as depreciation the amount of exhaustion, wear and tear, obsolescence, or depletion which has been allowed (but not less than the amount allowable) in respect of such property since date of acquisition, or since March 1, 1913, if the property was acquired before that date. In addition, if the property was acquired before March 1, 1913, and if the cost of such property is greater than its fair market value as of that date, the cost shall be reduced by the depreciation actually sustained before that date. See Section 113 of the Revenue Act of 1932.

Subsequent improvements include expenditures for additions, improvements, and repairs made to restore the property or prolong its useful life. Do not deduct ordinary repairs, interest, or taxes in computing gain or loss.

No loss shall be recognized in any sale or other disposition of shares of stock or securities where the corporation has acquired substantially identical stock or securities within 30 days before or after the date of such sale, unless the corporation is a dealer in stock or securities in the ordinary course of business.

Deductions for losses from sales or exchanges of stocks and bonds which are not capital assets as defined in Section 101 of the 1932 Act, and the sales and exchanges of which are to be reported in Schedule B (a), shall be allowed only to the extent of the gains from such sales or exchanges (including gains which may be derived by a taxpayer from the retirement of his own obligations). See Section 23 (r) and (t) of the 1932 Act and Section 218 of the National Industrial Recovery Act.

11. Dividends.—Enter as Item 11 (a) the amount received as dividends (1) from a domestic corporation subject to taxation under Title I of the Revenue Act of 1932, other than a corporation entitled to the benefits of Section 251 of the Revenue Act of 1932 and other than a corporation organized under the China Trade Act, 1922, or (2) from a foreign corporation when it is shown to the satisfaction of the Commissioner that more than 50 percent of the gross income of such foreign corporation for the three-year period ending with the close of its taxable year preceding the declaration of such dividends (or for such part of such period as the corporation has been in existence) was derived from sources within the United States. Enter as Item 11 (b) dividends from a domestic corporation not subject to taxation under Title I of the Revenue Act of 1932. Enter as Item 11 (c) dividends from a foreign corporation other than a foreign corporation described in (2) of this paragraph.

12. Other income.—Enter as Item 12 all other taxable income for which no space is provided on the return.

13. Total income.—Enter as Item 13 the net amount of Items 3, and 6 to 12, inclusive, after deducting any losses reported in Items 3, 6, and 10 (b).

14. Compensation of officers.—Enter as Item 14 the compensation of all officers, in whatever form paid, and fill in Schedule C, giving the information requested.

15. Rent.—Enter as Item 15 rent paid for business property in which the corporation has no equity.

16. Repairs.—Enter as Item 16 the cost of incidental repairs including the labor, supplies, and other items which do not add to the value or appreciably prolong the life of the property. Enter as salaries and wages the compensation, during the period covered by this return, of persons employed directly in connection with these incidental repairs, as shown in Schedule D. Expenditures for new buildings, machinery, equipment, or for permanent improvements or betterments which increase the value of the property are chargeable to capital account. Expenditures for restoring or replacing property are not deductible, as such expenditures are chargeable to capital accounts or to depreciation reserve, depending on how depreciation is charged on the books of the corporation.

17. Interest.—Enter as Item 17 interest paid on business indebtedness. Do not include interest on indebtedness incurred or continued to purchase or carry obligations or securities the interest upon which is wholly exempt from taxation.

18. Taxes.—Enter as Item 18 taxes paid or accrued during the taxable year. Do not include Federal income taxes, income taxes claimed as a credit in Item 29 or Item 37, taxes assessed against local benefits tending to increase the value of the property assessed, Federal taxes paid on bonds containing a tax-free covenant, nor taxes not imposed upon the taxpayer. No deduction is allowable for any portion of foreign income and profits taxes if a credit is claimed in Item 29 or Item 37.

19. Losses.—Enter as Item 19 losses sustained during the year and not compensated for by insurance or otherwise. Losses of business property arising from fire, storm, shipwreck, or other casualty, or from theft, should be explained in Schedule F, giving the information requested.

20. Bad debts.—Enter as Item 20 debts, or portions thereof, arising from sales or services that have been reflected in income, which have been definitely ascertained to be worthless and have been charged off within the year, or such reasonable amount as has been added to a reserve for bad debts within the year.

If the debts are included in the deduction claimed, submit a schedule showing the amounts charged off, and state how each was determined to be worthless. If the amount deducted is an addition to a reserve, enter in Schedule G the amount of sales charged on account, and the amount of bad debts charged off, for each of the years indicated.

A debt previously charged off as bad, if subsequently collected, must be returned as income for the year in which collected.

21. Dividends.—Enter as Item 21 and describe in Schedule H dividends reported as income in Item 11 (a).

22. Depreciation.—The amount deductible on account of depreciation in Item 22 is an amount fairly measuring the portion of the investment in depreciable property by reason of exhaustion, wear and tear, or obsolescence, which is properly chargeable against the operations of the year. If the property was acquired by purchase on or after March 1, 1913, the amount of depreciation should be determined upon the basis of the original cost (not replacement cost) of the property, and the probable number of years remaining of its useful life. In case the property was purchased prior to March 1, 1913, the amount of depreciation will be determined in the same manner, except that it will be computed on its original cost, less depreciation sustained prior to March 1, 1913, or the fair market value as of that date, whichever is greater. If the property was acquired in any other manner than by purchase see Section 114 of the Revenue Act of 1932. The capital sum to be recovered shall be charged off over the useful life of the property either in equal annual installments or in accordance with any other recognized trade practice, such as an apportionment over units of production. Whatever plan or method of apportionment is adopted must be reasonable and must have due regard to operating conditions during the taxable year. The method adopted should be described in the return. Stocks, bonds, and like securities are not subject to exhaustion, wear, and tear within the meaning of the law.

If a deduction is claimed on account of depreciation Schedule I shall be filled in, and the total amount claimed therein should correspond with the figures reflected in the balance sheet. In case obsolescence is included, state separately amount claimed and basis upon which it is computed. Land values or cost must not be included in this schedule, and where land and buildings were purchased for a lump sum the cost of the building subject to depreciation must be established. The total amount of depreciation allowed on each property in prior years must be shown and if the cost of any asset has been fully recovered through previous depreciation allowances, the cost of such asset must not be included in the cost shown in the schedule of depreciable assets. See Sections 23 (k) and 114 of the Revenue Act of 1932.

23. Depletion.—If a deduction is claimed on account of depletion, secure from the collector Form D (minerals), Form E (coal), Form F (miscellaneous non-metals), Form O (oil and gas), or Form T (timber), fill in and file with return. If complete valuation data have been filed with Questionnaire in previous years, then file with this return information necessary to bring your depletion schedule up to date, setting forth in full statement of all transactions bearing on deductions or additions to value of physical assets with explanation of how depletion deduction for the taxable year has been determined. See Sections 23 (1) and 114 of the Revenue Act of 1932.

24. Other deductions.—Enter other deductions authorized by law and file with the return a schedule showing how each deduction was computed.

25. Total deductions.—Enter as Item 25 the total of Items 14 to 24, inclusive.

26. Net income.—Enter as Item 26 the net income, which is obtained by deducting Item 25 from Item 13. The net income of a corporation shall be computed upon the basis of its taxable year in accordance with the method of accounting regularly employed in keeping the books, unless such method does not clearly reflect the income.

COMPUTATION OF TAX

27. Where a separate return is made, the income tax for a fiscal year ending in 1934 is computed in the same manner and at the same rate as if the fiscal year were the calendar year 1933. Where a consolidated return is made, the tax is determined by computing a tax on the net income for the entire fiscal year at both the 1933 and 1934 rates, and by adding the portion of such tax attributable to each year, apportioned according to the number of months in the fiscal year falling in each calendar year.

CREDIT FOR TAXES

28. A nonresident foreign corporation subject to taxation may claim as a credit in Item 28 or Item 36 any income tax required to be deducted and withheld at the source.

29. If, in accordance with Section 131 (a) of the Revenue Act of 1932, a credit is claimed by a domestic corporation in Item 29 or Item 37 on account of income tax paid to a foreign country or a possession of the United States, Form 1118 should be submitted with this return, together with the receipt for each such tax payment. In case credit is sought for taxes accrued but not paid, the form must have attached to it a certified copy of the return on which each such accrued tax was based, and the Commissioner may require a bond on Form 1119 for the payment of any additional tax found due if the foreign tax when paid differs from the amount claimed. A foreign corporation is not entitled to claim this credit.

EXCESS-PROFITS TAX

30. The excess-profits tax is equivalent to 5 percent of such portion of the corporation's net income for the fiscal year 1934 as is in excess of 12½ percent of the adjusted declared value of its capital stock (or in the case of a foreign corporation the adjusted declared value of capital employed in the transaction of its business in the United States) as of the close of the preceding income-tax taxable year (or as of the date of organization if it had no preceding income-tax taxable year) determined as provided in Section 215 of the National Industrial Recovery Act. No variation between the adjusted declared value of capital stock set forth in the capital-stock tax return and the adjusted declared value embodied in the excess-profits tax return is permissible. The term "income-tax taxable year" means the calendar year, or the fiscal year ending during such calendar year, upon the basis of which the corporation's net income is computed and its income tax returns are made under the Revenue Act of 1932. The term "net income" and other terms used in Section 216 of the National Industrial Recovery Act have the same meaning as when used in the Revenue Act of 1932.

LIABILITY FOR FILING RETURNS

31. Corporations generally.—Every domestic or resident corporation, joint-stock company, association, or insurance company (other than a life insurance company) not specifically exempted by Section 103 of the Revenue Act of 1932, whether or not having any net income, must file a return of income on this form, or on Form 1120 if for the calendar year. For the fiscal year 1934 every corporation subject to the capital-stock tax must make a combined income and excess-profits tax return on this form.

32. Corporations in possessions of the United States.—Domestic corporations within the possessions of the United States (except the Virgin Islands) may report as gross income only gross income from sources within the United States, provided, (a) 80 percent or more of the gross income for the three-year period immediately preceding the close of the taxable year (or such part thereof as may be applicable) was derived from sources within a possession of the United States; and (b) 50 percent or more of the gross income for such period or such part thereof was derived from the active conduct of a trade or business within a possession of the United States.

33. Foreign corporations.—A foreign corporation subject to the provisions of the Revenue Act of 1932, regardless of the amount of its net income, is required to file a return with the collector in whose district is located its principal office or agency through which is transacted the business in the United States. The net income should be computed in accordance with Section 119 of the Revenue Act of 1932.

Any foreign nonresident corporation excluding from gross income from sources within the United States income of the type specified in Section 119(a)(1)(A)(B) or (C) of the Revenue Act of 1932 must file with its return a statement setting forth the amount of such income and such information as may be necessary to show that the income is of the type specified in those paragraphs. A foreign corporation engaged in trade or business within the United States or having an office or place of business therein is a resident foreign corporation.

INSURANCE COMPANIES

34. Life insurance companies.—A life insurance company issuing life insurance and annuity contracts (including contracts of combined life, health, and accident insurance), as defined by Section 201 of the Revenue Act of 1932, shall file its tax return on Form 1120L, instead of this form.

35. Mutual insurance companies.—A mutual insurance company (other than a life insurance company), in addition to the deductions allowed a corporation, unless otherwise allowed, may claim as deductions in Item 24 of the return (a) the net addition required by law to be made within the taxable year to reserve funds (including in the case of an assessment insurance company the actual deposit of sums with State or Territorial officers pursuant to law as additions to guarantee or reserve funds), and (b) the sums other than dividends paid within the taxable year on policy and annuity contracts.

36. A mutual marine insurance company shall include in its gross income in Item 4 of this return the gross premiums collected and received, less amounts paid for reinsurance, and in addition to the deductions allowed a corporation, and to a mutual insurance company in Instruction 35 above, unless otherwise allowed, may claim as a deduction in Item 24 of the return amounts repaid to policyholders on account of premiums previously paid by them, and interest paid upon such amounts between the ascertainment and the payment thereof.

37. A mutual insurance company (including interinsurance and reciprocal underwriters, but not including a mutual life or mutual marine insurance company) requiring its members to make premium deposits to provide for losses and expenses, in addition to the deductions allowed a corporation, and to a mutual insurance company in Instruction 35 above, unless otherwise allowed, may claim as a deduction in Item 24 of the return, the amount of premium deposits returned to its policyholders and the amount of premium deposits retained for losses, expenses, and reinsurance reserves.

38. The receipts of shipowners' mutual protection and indemnity associations not organized for profit, and no part of the net earnings of which inures to the benefit of any private stockholder or member, are exempt from taxation; but such associations shall be subject as other corporations to the tax upon their net income from interest, dividends, and rents.

39. Benevolent life insurance associations of a purely local character, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations are exempt from taxation only if 85 percent or more of the income consists of amounts collected from members for the sole purpose of meeting losses and expenses.

40. Other insurance companies.—The net income of an insurance company (other than a life or mutual insurance company referred to above) is the gross income earned during the taxable year from investment income and from underwriting income, computed on the basis of the underwriting and investment exhibit of the Annual Statement approved by the National Convention of Insurance Commissioners, plus the gain from the sale or other disposition of property, less the deductions for ordinary and necessary expenses, interest, taxes, losses, bad debts, depreciation, etc., as provided in Section 204 of the Revenue Act of 1932.

CONSOLIDATED RETURNS

41. An affiliated group of corporations as defined by Section 141 of the Revenue Act of 1932, as amended by Section 218(e) of the National Industrial Recovery Act, shall elect, for the fiscal year 1934, either to file one consolidated return for the entire group or a separate return for each corporation, and all returns thereafter shall be made upon the same basis unless permission to change the basis is granted by the Commissioner. For computation of tax, see Instruction 27.

42. The parent corporation, when filing a consolidated return on this form, shall attach thereto a schedule showing the names and addresses of all the corporations included in the return. Each taxable year each subsidiary must prepare two duplicate originals of Form 1122 consenting to Regulations 78 and authorizing the making of the return on its behalf. One of such forms shall be attached to the consolidated return as a part thereof, and the other shall be filed, at or before the time the consolidated return is filed, in the office of the collector for the subsidiary's district.

43. Supporting schedules shall be filed with the consolidated return. These schedules shall be prepared in columnar form, one column being provided for each corporation included in the consolidation, one column for a total of like items before adjustments are made, one column for intercompany eliminations and adjustments, and one column for a total of like items after giving effect to the eliminations and adjustments. The items included in the column for eliminations and adjustments should be symbolized to identify contra items affected, and suitable explanations appended, if necessary. Similar schedules shall also contain in columnar form a reconciliation of surplus for each corporation, together with a reconciliation of the consolidated surplus.

44. Consolidated balance sheets as of the beginning and close of the taxable year of the group shall accompany the consolidated return prepared in a form similar to that required for reconciliation of surplus.

45. An affiliated group of corporations as defined by Section 141 of the Revenue Act of 1932, as amended by Section 218(e) of the National Industrial Recovery Act, which pursuant to that section has the privilege of making a consolidated income-tax return, and has exercised such privilege, shall make a consolidated excess-profits tax return. The excess-profits tax shall be computed on such portion of the consolidated net income for the income-tax taxable year of the affiliated group as is in excess of 12½ percent of the combined adjusted declared value of the capital stock of those members of the group subject to capital-stock tax as separately returned under Section 215. In the case of a

corporation which is a member of an affiliated group for a fractional part of the year, the consolidated excess-profits tax return shall include the income of such corporation for such part of the year as it is a member of the affiliated group, and a like proportionate part of the adjusted declared value of the capital stock of such corporation shall be included in the combined adjusted declared value of the capital stock of the affiliated group

WORKING PAPERS

46. Every corporation should preserve, for inspection by a revenue officer, working papers showing the balance in each account on the corporation's books used in preparing the return.

BALANCE SHEETS

47. The balance sheets on page 2 of the return, Schedule K, should agree with the books, or any differences should be reconciled. The balance sheets for a consolidated return should be furnished in accordance with Instruction 44. All corporations engaged in an interstate and intrastate trade or business and reporting to the Interstate Commerce Commission and to any national, State, municipal, or other public officer, may submit, in lieu of Schedule K, copies of their balance sheets prescribed by said Commission or State and municipal authorities, as at the beginning and end of the taxable year.

In case the balance sheet as at the beginning of the current taxable year does not agree in every respect with the balance sheet which was submitted as at the end of the previous taxable year, the differences should be fully explained in the space provided under Schedule K.

PERIOD COVERED

48. Except in the case of the first return the corporation shall make its return on the basis upon which the return was made for the taxable year immediately preceding unless, with the approval of the Commissioner, a change is made in the accounting period.

49. If a corporation desires to change its accounting period from fiscal year to calendar year, from calendar year to fiscal year, or from one fiscal year to another fiscal year, an application for such change shall be made on Form 1128 and forwarded to the collector prior to the expiration of 30 days from the close of the proposed taxable year.

50. Where the Commissioner approves a change in the accounting period, the net income computed on the separate return for a fractional part of a year shall be placed on an annual basis by multiplying the amount thereof by 12 and dividing by the number of months included in the period, and the tax shall be such part of the tax computed on such annual basis as the number of months in such period is of 12 months.

TIME AND PLACE FOR FILING

51. The return must be filed on or before the fifteenth day of the third month following the close of the fiscal year with the collector of internal revenue for the district in which the corporation's principal office is located. In the case of a foreign corporation not having any office or place of business in the United States the return shall be filed on or before the fifteenth day of the sixth month following the close of the fiscal year, with the Collector of Internal Revenue, Baltimore, Md.

52. The collector of internal revenue may grant a reasonable extension of time for filing a return, not to exceed six months, if application therefor is made before the date prescribed by law for filing such return, whenever in his judgment good cause exists.

SIGNATURES AND VERIFICATION

53. The return shall be sworn to by the president, vice president, or other principal officer, and by the treasurer or assistant treasurer. The return of a foreign corporation having no office or place of business in the United States but having an agent in the United States shall be sworn to by such agent.

54. Question 10 on page 3 of the return should be answered fully, and where the return is actually prepared by some person or persons other than the taxpayer, such person or persons must execute the affidavit at the foot of page 4 of the return.

PAYMENT OF TAXES

55. The tax should be paid by sending or bringing with the return a check or money order drawn to the order of "Collector of Internal Revenue at (insert name and city and State)." Do not send cash by mail, nor pay it in person except at the collector's office.

The tax in the case of a domestic corporation may be paid when the return is filed, or in four equal installments, as follows: The first installment shall be paid on or before the fifteenth day of the third month following the close of the taxable year, the second installment shall be paid on or before the fifteenth day of the third month, the third installment on or before the fifteenth day of the sixth month, and the fourth installment on or before the fifteenth day of the ninth month, after the date prescribed for paying the first installment.

If any installment is not paid on the date fixed for its payment, the whole amount of the tax unpaid shall be paid upon notice and demand by the collector.

PENALTIES

56. For willful failure to make and file return on time.—Not more than \$10,000 or imprisonment for not more than one year, or both, and in addition 25 percent of the amount of the tax.

57. For willfully making a false or fraudulent return.—Not more than \$10,000 or imprisonment for not more than five years, or both, together with the costs of prosecution.

58. For deficiency in tax.—Interest on a deficiency at 6 percent per annum to the date the deficiency is assessed, or to the thirtieth day after the filing of a waiver of the restrictions on assessment and collection, whichever date is the earlier, and in addition 5 percent of the amount of the deficiency if due to negligence or intentional disregard of rules and regulations without intent to defraud, or 50 percent of the amount of the deficiency if due to fraud.

UNDISTRIBUTED PROFITS

59. If any corporation is formed or availed of for the purpose of preventing the imposition of any internal-revenue tax upon its shareholders by permitting its gains and profits to accumulate instead of being divided or distributed, there shall be levied, collected, and paid for each taxable year upon the net income of such corporation a tax equal to 50 percent of the amount thereof, which shall be in addition to the tax imposed by Section 13 of the Revenue Act of 1932. In such case the net income shall include interest on obligations of the United States issued after September 1, 1917, which would be subject to tax in whole or in part in the hands of an individual owner, and dividends received from a domestic corporation. See Section 104 of the Revenue Act of 1932, as amended by Section 214 of the National Industrial Recovery Act.

INFORMATION AT THE SOURCE

60. Every corporation making payments of salaries, wages, interest, rent, commissions, or other fixed or determinable income of \$1,000 or more during the calendar year, to a single person, a partnership, or a fiduciary, or \$2,500 or more to a married person, or payments of dividends of \$500 or more to a person, a partnership, or a fiduciary, is required to make a return on Forms 1096 and 1099 showing the amount of such payments and the name and address of each recipient. These forms will be furnished by any collector of internal revenue upon request. Such returns covering the calendar year 1934 must be forwarded to the Commissioner of Internal Revenue, Sorting Section, Washington, D.C., in time to be received not later than February 15, 1935.